

# IESO Engagement Update – February 11, 2022

This engagement update provides a snapshot of all active IESO engagement activities. It also helps support a greater understanding of linkages between engagements, and a foundation for more comprehensive and integrated updates. **For the most recent information, visit the individual engagement links or the refreshed [Engagement Initiatives](#) webpage.**



## 2022 Stakeholder Advisory Committee Meeting Schedule Now Available

The Stakeholder Advisory Committee (SAC) will meet in 2022 on the following days – March 9, June 29 and August 3. These SAC meetings will be available on-line and are open to the public. For further information on the Committee, please visit the dedicated [SAC webpage](#).

## Public Information Session – Transmission Rights

The IESO will inform stakeholders of an administrative update being made to the methodology used to determine the number of transmission rights available to offer in long-term auctions to ensure that the financial upper limit (FUL) continues to be respected at all auctions. The session will be held on February 22 during the [February Engagement Days](#).

## New Engagements and Forward-Looking Schedule

### Clean Energy Credits

The Ministry of Energy has asked the IESO to assess options for the establishment and ongoing operation and management of a registry to support the creation and/or recognition, trading and valuation, and the retirement of renewable and clean energy credits (CECs) within the province. The engagement will discuss options for the establishment of a voluntary clean energy credits (CECs) market within the province. Those interested in participating directly in this engagement can register at [engagement@ieso.ca](mailto:engagement@ieso.ca).

*Launching:* February 24, 2022

## Pathways to Decarbonization

The IESO will inform stakeholders on the study approach and provide transparency around the assumptions that will be used in the analysis of the Ministry's request that the IESO evaluate a moratorium on the procurement of new natural gas generating stations in this decade (reliability, cost, environmental considerations) and develop an achievable pathway to phase out natural gas generation and achieve zero emissions in the electricity sector. Those interested in participating directly in this engagement can register at [engagement@ieso.ca](mailto:engagement@ieso.ca).

- *Launching:* February 24, 2022

## Transmission – Distribution Coordination Working Group

The Transmission-Distribution Coordination Working Group (TDWG) will work closely with local distribution companies (LDCs) and other stakeholders to inform the [DER Market Vision and Design Project](#). This is a key focus area of IESO's Distributed Energy Resources (DER) integration activities and is what much of the near-term [DER Roadmap](#) efforts build towards. The TDWG will provide a forum for in-depth engagement on transmission-distribution coordination. Those interested in participating directly in this engagement can register at [engagement@ieso.ca](mailto:engagement@ieso.ca).

- *Launched:* January 31, 2022

## Forecasting and Planning

Engagements to support provincial and regional electricity planning over the next 20 years.

Active Engagement	Current Status	Next Steps
<p><b><a href="#">Formalizing the Integrated Bulk System Planning Process</a></b></p> <p>The IESO is seeking feedback on the design of a formal, integrated bulk system planning process.</p> <p><i>Engagement Lead:</i> <b>Colin Campbell</b></p> <p><i>Related Active Engagements:</i></p> <ul style="list-style-type: none"><li>• <a href="#">Development of an IESO Competitive Transmission Procurement Process</a></li><li>• <a href="#">Resource Adequacy</a></li><li>• <a href="#">Transmission Losses</a></li></ul>	<ul style="list-style-type: none"><li>• On October 19, the IESO held a webinar to present the final high-level design and process detail</li><li>• A progress update was also provided on the regional planning process review engagement, which was completed in May 2021</li><li>• A response to feedback document was posted on January 11, 2022</li></ul>	<ul style="list-style-type: none"><li>• The formalized Bulk System Planning Process is planned for implementation at the start of 2022</li></ul>

Active Engagement	Current Status	Next Steps
<p><b><u>Gas Phase-Out Impact Assessment</u></b></p> <p>The future of gas generation in Ontario has become a focus of discussion for a number of municipalities, raising questions and concerns from stakeholders about the challenges and opportunities these discussions have raised. This engagement will allow stakeholders to provide feedback on the scope of an assessment that outlines the implications of phasing out natural gas generation.</p> <p><i>Engagement Lead: <b>Jordan Penic</b></i></p> <p><i>Related Active Engagements:</i></p> <ul style="list-style-type: none"> <li>• N/A</li> </ul>	<ul style="list-style-type: none"> <li>• The IESO’s assessment report, <i>Decarbonization and Ontario’s Electricity System</i>, was posted to the IESO website on October 7 and a response to feedback document posted on October 14</li> <li>• On October 21, the IESO hosted a webinar to provide a briefing of the report and answer stakeholder questions pertaining to the assessment</li> <li>• At its November 3 meeting, the Stakeholder Advisory Committee (SAC) discussed the next steps and work ahead for the IESO with respect to the Minister’s letter issued on October 7</li> </ul>	<ul style="list-style-type: none"> <li>• This engagement is now closed with a summary to be shared with stakeholders and posted to the engagement webpage shortly</li> <li>• In response to the Minister’s October 7 letter, the IESO has launched a new engagement on “Pathways to Decarbonization” (see separate engagement update)</li> </ul>
<p><b><u>Regional Planning – Barrie/Innisfil</u></b></p> <p>Regional electricity planning is underway in this sub-region.</p> <p><i>Engagement Lead: <b>Sari Gerwitz</b></i></p> <p><i>Related Active Engagements:</i></p> <ul style="list-style-type: none"> <li>• <a href="#">DER Roadmap</a></li> <li>• <a href="#">Formalizing the Integrated Bulk System Planning Process</a></li> <li>• <a href="#">Regional Planning – South Georgian Bay/Muskoka</a></li> </ul>	<ul style="list-style-type: none"> <li>• An engagement webinar was held on December 9 to seek input on options screening and the range of potential solutions to be examined to help inform the development of an Integrated Regional Resource Plan (IRRP)</li> <li>• One feedback submission was received and has been posted, along with the IESO’s response to feedback</li> </ul>	<ul style="list-style-type: none"> <li>• A webinar to seek input on the proposed recommendations will be scheduled during the end of Q1/early Q2</li> </ul>
<p><b><u>Regional Planning – Niagara</u></b></p> <p>Regional electricity planning is underway in this region.</p> <p><i>Engagement Lead: <b>Rouselle Gratela</b></i></p> <p><i>Related Active Engagements:</i></p> <ul style="list-style-type: none"> <li>• <a href="#">Formalizing the Integrated Bulk System Planning Process</a></li> </ul>	<ul style="list-style-type: none"> <li>• The first meeting for the development of an Integrated Regional Resource Plan (IRRP) was held on February 3 to seek input on the draft electricity demand forecast and engagement plan</li> </ul>	<ul style="list-style-type: none"> <li>• Feedback is due by February 24 to inform the next steps for the IRRP</li> </ul>

Active Engagement	Current Status	Next Steps
<p><b><u>Regional Planning – North &amp; East of Sudbury</u></b> Regional electricity planning is underway in this region. <i>Engagement Lead: Rouselle Gratela</i> <i>Related Active Engagements:</i></p> <ul style="list-style-type: none"> <li>• <a href="#">Formalizing the Integrated Bulk System Planning Process</a></li> </ul>	<ul style="list-style-type: none"> <li>• The first meeting for this new engagement was held July 19</li> <li>• Four feedback submissions were received and are posted along with the response to feedback document</li> <li>• The final Scoping Assessment Outcome Report was posted on August 12</li> </ul>	<ul style="list-style-type: none"> <li>• The IESO will launch engagement plans in March to inform the development of an Integrated Regional Resource Plan (IRRP) for this region</li> </ul>
<p><b><u>Regional Planning – Northwest</u></b> Regional electricity planning is underway in this region. <i>Engagement Lead: Susan Harrison</i> <i>Related Active Engagements:</i></p> <ul style="list-style-type: none"> <li>• <a href="#">Formalizing the Integrated Bulk System Planning Process</a></li> <li>• <a href="#">Resource Adequacy</a></li> </ul>	<ul style="list-style-type: none"> <li>• Three targeted discussions concluded with communities and stakeholders in November 2021 to discuss electricity needs for the region and any emerging local initiatives that should be considered in the planning work</li> </ul>	<ul style="list-style-type: none"> <li>• A webinar will be held soon to further the regional electricity planning engagement for Northwest Ontario</li> </ul>
<p><b><u>Regional Planning – Ottawa Area Sub-Region</u></b> Regional electricity planning is underway in this region. <i>Engagement Lead: Sari Gerwitz</i> <i>Related Active Engagements:</i></p> <ul style="list-style-type: none"> <li>• <a href="#">Formalizing the Integrated Bulk System Planning Process</a></li> <li>• <a href="#">Gas Phase-Out Impact Assessment</a></li> <li>• <a href="#">Regional Planning – Peterborough to Kingston</a></li> </ul>	<ul style="list-style-type: none"> <li>• An Integrated Regional Resource Plan (IRRP) was completed in February 2020 for this sub-region</li> <li>• The plan recommended additional studies to address the identified needs that extend beyond the 20-year IRRP outlook</li> </ul>	<ul style="list-style-type: none"> <li>• Communications and outreach are targeted for Q1 with study completion expected in late Q1</li> </ul>
<p><b><u>Regional Planning – Parry Sound/Muskoka</u></b> Regional electricity planning is underway in this sub-region. <i>Engagement Lead: Sari Gerwitz</i> <i>Related Active Engagements:</i></p> <ul style="list-style-type: none"> <li>• <a href="#">DER Roadmap</a></li> <li>• <a href="#">Formalizing the Integrated Bulk System Planning Process</a></li> <li>• <a href="#">Regional Planning – South Georgian Bay/Muskoka</a></li> </ul>	<ul style="list-style-type: none"> <li>• An engagement webinar was held on December 8 to seek input on options screening and the range of potential solutions to be examined to help inform the development of an Integrated Regional Resource Plan (IRRP)</li> <li>• One feedback submission was received and has been posted, along with the IESO’s response to feedback</li> </ul>	<ul style="list-style-type: none"> <li>• A webinar to seek input on the proposed recommendations will be scheduled during the end of Q1/early Q2</li> </ul>

Active Engagement	Current Status	Next Steps
<p><b><u>Regional Planning – Renfrew</u></b> Regional electricity planning is underway in this region. <i>Engagement Lead: <b>Sari Gerwitz</b></i> <i>Related Active Engagements:</i></p> <ul style="list-style-type: none"> <li>• <a href="#">Formalizing the Integrated Bulk System Planning Process</a></li> </ul>	<ul style="list-style-type: none"> <li>• The first meeting for the development of an Integrated Regional Resource Plan (IRRP) was held February 9 to seek input on the draft electricity demand forecast and engagement plan</li> </ul>	<ul style="list-style-type: none"> <li>• Feedback is due by March 2 to inform the next steps for the IRRP</li> </ul>
<p><b><u>Regional Planning – Windsor-Essex</u></b> Regional electricity planning is underway in this region. <i>Engagement Lead: <b>Rouselle Gratela</b></i> <i>Related Active Engagements:</i></p> <ul style="list-style-type: none"> <li>• <a href="#">DER Roadmap</a></li> <li>• <a href="#">Formalizing the Integrated Bulk System Planning Process</a></li> <li>• <a href="#">Gas Phase-Out Impact Assessment</a></li> </ul>	<ul style="list-style-type: none"> <li>• An Integrated Regional Resource Plan (IRRP) Addendum study was released on February 10</li> <li>• The study recommends actions to support economic growth and development in the Kingsville-Leamington area</li> <li>• This study was an addendum to the broader recommendations of the 2019 Windsor-Essex IRRP conducted to address remaining local needs in Kingsville and Leamington, and completed in parallel with the <a href="#">2021 West of London Bulk Plan</a></li> </ul>	<ul style="list-style-type: none"> <li>• This engagement has concluded</li> </ul>
<p><b><u>Transmission Losses</u></b> This engagement will review IESO and Hydro One's practices on how transmission losses are considered in planning and operation of the system, a comparison of these practices to those used in other jurisdictions, and seek stakeholder feedback on potential improvements to these practices. <i>Engagement Lead: <b>Jason Grbavac</b></i> <i>Related Active Engagements:</i></p> <ul style="list-style-type: none"> <li>• <a href="#">Formalizing the Integrated Bulk System Planning Process</a></li> </ul>	<ul style="list-style-type: none"> <li>• The IESO posted a draft transmission losses guideline document on July 22 for stakeholder review and feedback</li> <li>• One feedback submission was received and has been posted</li> </ul>	<ul style="list-style-type: none"> <li>• A response to stakeholder feedback will be provided in Q1 and a webinar will be held, as required</li> </ul>

# Resource Acquisition

Engagements to ensure we have the tools and processes to acquire the resources we need to maintain a reliable and efficient system.

Active Engagement	Current Status	Next Steps
<p><b><u>Development of an IESO Competitive Transmission Procurement Process</u></b></p> <p>The IESO is seeking feedback to aid in the development of a competitive transmission procurement process.</p> <p><i>Engagement Lead: <b>TBD</b></i></p> <p><i>Related Active Engagements:</i></p> <ul style="list-style-type: none"><li>• <a href="#">Formalizing the Integrated Bulk System Planning Process</a></li></ul>	<ul style="list-style-type: none"><li>• This engagement was put on hold and IESO is currently determining the next steps associated with this initiative</li></ul>	
<p><b><u>Distributed Energy Resources (DER) Market Vision and Design Project</u></b></p> <p>The IESO is seeking feedback from stakeholders on how to cost-effectively enhance the value DERs can provide to Ontario’s electricity system by expanding participation in the wholesale markets.</p> <p><i>Engagement Lead: <b>Colin Campbell</b></i></p> <p><i>Related Active Engagements:</i></p> <ul style="list-style-type: none"><li>• <a href="#">DER Potential Study</a></li><li>• <a href="#">DER Roadmap</a></li><li>• <a href="#">Enabling Resources Program</a></li><li>• <a href="#">Hybrid Integration Project</a></li><li>• <a href="#">Innovation and Sector Evolution White Paper Series</a></li><li>• <a href="#">Resource Adequacy</a></li></ul>	<ul style="list-style-type: none"><li>• An engagement webinar was held on January 26 where the IESO provided feedback received and timelines and deliverables for the project</li><li>• The meeting also included a presentation from the Electric Power Research Institute (EPRI) on how U.S. jurisdictions are complying with FERC Order 2222</li></ul>	<ul style="list-style-type: none"><li>• Feedback is due by February 16</li><li>• Through Q2, the IESO will establish the criteria to determine foundational versus enhanced models, and develop the initial set of options for the Phase 1 questions</li></ul>

## Active Engagement

## Current Status

## Next Steps

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### Distributed Energy Resources (DER) Potential Study

To help inform our path forward in enabling DERs, the IESO has commissioned a DER Potential Study. The primary objectives of the study are to determine the types and volumes of DERs that exist and can be expected to emerge in Ontario over a 10-year timeframe, as well as identify the potential for these resources to provide wholesale electricity services.

*Engagement Lead:* **Colin Campbell**

*Related Active Engagements:*

- [DER Market Vision & Design Project](#)
- [DER Roadmap](#)
- [Enabling Resources Program](#)
- [Hybrid Integration Project](#)
- [Innovation and Sector Evolution White Paper Series](#)
- [Resource Adequacy](#)

- An engagement webinar was held on November 23 to present the draft Detailed Project Plan and describe the key components of the study, including inputs, methodology, scenarios and the underlying assumptions; a summary of feedback from the September webinar was also presented, along with the IESO's responses
- Four feedback submissions were received and have been posted to the engagement webpage

- The IESO is currently reviewing the submissions and will respond to this feedback
- Study results are expected to be presented in June, 2022

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### Distributed Energy Resources (DER) Roadmap

The IESO is seeking feedback on the development of a roadmap to set out approaches and expected timing for enhancing DER participation in the IESO-administered markets for the products/services they are technically capable of providing.

*Engagement Lead:* **Colin Campbell**

*Related Active Engagements:*

- [DER Market Vision & Design Project](#)
- [DER Potential Study](#)
- [Enabling Resources Program](#)
- [Hybrid Integration Project](#)
- [IESO York Region Non-Wires Alternatives Demonstration Project](#)
- [Resource Adequacy](#)

- The [DER Roadmap](#) was posted in December, 2021
- The first meeting of the Transmission-Distribution Working Group took place on January 31, 2022 (see separate engagement update)

- The IESO and Ontario Energy Board (OEB) will hold another joint engagement meeting in spring, 2022 with an updated list, action items, and progress updates on cross-cutting issues

Active Engagement	Current Status	Next Steps
<p><b><u>Enabling Resources Program</u></b></p> <p>The IESO is seeking feedback on the development of an integrated plan that will outline the sequencing, timing and scope of activities to be undertaken by the IESO to enable existing resources to provide electricity system services in the renewed Ontario wholesale market that they cannot, or cannot fully, currently provide.</p> <p><i>Engagement Lead: <b>Colin Campbell</b></i></p> <p><i>Related Active Engagements:</i></p> <ul style="list-style-type: none"> <li>• <a href="#">DER Market Vision &amp; Design Project</a></li> <li>• <a href="#">DER Potential Study</a></li> <li>• <a href="#">DER Roadmap</a></li> <li>• <a href="#">Hybrid Integration Project</a></li> <li>• <a href="#">Innovation and Sector Evolution White Paper Series</a></li> <li>• <a href="#">Resource Adequacy</a></li> </ul>	<ul style="list-style-type: none"> <li>• An engagement meeting was held on December 16 to present and discuss the Enabling Resources Work Plan outlining the timing and scope of work it will undertake to further integrate emerging resources in the IESO-Administered Markets, including hybrid generation-storage, storage and Distributed Energy Resources</li> </ul>	<ul style="list-style-type: none"> <li>• The IESO will post an engagement summary report to conclude this engagement</li> </ul>
<p><b><u>Hybrid Integration Project</u></b></p> <p>The IESO is seeking feedback on the development of participation model(s) to enable hybrid resources in the IESO-administered markets and have the capability to support Ontario's future system needs. The changes will be implemented after the implementation of the Market Renewal Project.</p> <p><i>Engagement Lead: <b>Colin Campbell</b></i></p> <p><i>Related Active Engagements:</i></p> <ul style="list-style-type: none"> <li>• <a href="#">DER Market Vision &amp; Design Project</a></li> <li>• <a href="#">DER Potential Study</a></li> <li>• <a href="#">DER Roadmap</a></li> <li>• <a href="#">Enabling Resources Program</a></li> <li>• <a href="#">Innovation and Sector Evolution White Paper Series</a></li> </ul>	<ul style="list-style-type: none"> <li>• A stakeholder webinar was held on January 27 to present "day-in-the-life" for the foundational hybrid facility models and seek stakeholder feedback</li> <li>• Feedback is sought on any concerns from a participation perspective, as well as any dependencies between resources or technologies the IESO should be accounting for</li> </ul>	<ul style="list-style-type: none"> <li>• Feedback is due by February 17</li> <li>• An engagement webinar will take place on February 24 to discuss stakeholder feedback received following the January meeting, and present the draft foundational designs</li> </ul>



Active Engagement	Current Status	Next Steps
<p><b><u>Long-Term RFP</u></b>            The IESO is engaging stakeholders on the development of a Long-Term RFP (LT RFP) that will seek resources that can be in service between 2026 and 2028 to address global and regional needs.  <i>Engagement Lead: <b>Jason Grbavac</b></i>  <i>Related Active Engagements:</i></p> <ul style="list-style-type: none"> <li>• <a href="#">Resource Adequacy</a></li> <li>• <a href="#">Hybrid Integration Project</a></li> <li>• <a href="#">Market Renewal Program (MRP) Implementation</a></li> </ul>	<ul style="list-style-type: none"> <li>• A dedicated engagement stream has been established for the LT RFP and an LT RFP engagement plan has been posted</li> <li>• An engagement webinar was held on February 8 to review the draft Long-Term Request for Qualifications (RFQ) and discuss the LT RFP design</li> </ul>	<ul style="list-style-type: none"> <li>• Feedback is due by February 18</li> </ul>
<p><b><u>Resource Adequacy</u></b>            The IESO is engaging stakeholders to further develop a long-term competitive strategy to meet Ontario’s resource adequacy needs reliably and cost-effectively while recognizing the unique needs of different resources.  <i>Engagement Lead: <b>Jason Grbavac</b></i>  <i>Related Active Engagements:</i></p> <ul style="list-style-type: none"> <li>• <a href="#">DER Market Vision &amp; Design Project</a></li> <li>• <a href="#">DER Potential Study</a></li> <li>• <a href="#">DER Roadmap</a></li> <li>• <a href="#">Enabling Resources Program</a></li> <li>• <a href="#">Formalizing the Integrated Bulk System Planning Process</a></li> <li>• <a href="#">Long-Term RFP</a></li> </ul>	<ul style="list-style-type: none"> <li>• An engagement webinar was held on January 25 to discuss the Annual Acquisition Report and engagement on the Long-Term RFP (LT RFP)</li> <li>• A reminder that engagement on the LT RFP has been moved from Resource Adequacy into a dedicated LT RFP engagement (see separate engagement update)</li> </ul>	<ul style="list-style-type: none"> <li>• An engagement webinar will be held on February 24 on the Capacity Auction including the final design document supported by a guidance document (to identify changes from draft to final) and an update on the implementation phase of the 2022 Capacity Auction enhancements</li> </ul>

# Operations

Engagements to ensure that Ontario's electricity resources are operating reliably within the IESO-administered market, while also undertaking continuous market improvements.

Active Engagement	Current Status	Next Steps
<p><b><u>Adjustments to Inertie Flow Limits</u></b></p> <p>The IESO is proposing to add clarifying language to the market rules specifying when internal transmission constraints will be considered by the IESO in setting inertie flow limits.</p> <p><i>Engagement Lead: Jason Grbavac</i></p> <p><i>Related Active Engagements:</i></p> <ul style="list-style-type: none"><li>N/A</li></ul>	<ul style="list-style-type: none"><li>The IESO hosted an engagement webinar on November 22 to provide stakeholders with an opportunity to comment on the proposed clarification to the market rules</li><li>Three submissions were received and posted to the engagement webpage along with the IESO response to feedback document</li></ul>	<ul style="list-style-type: none"><li>The Technical Panel will review the proposed market rule language, stakeholder feedback and the IESO's response at its February meeting</li></ul>
<p><b><u>Cost Recovery for Integrating System Changes</u></b></p> <p>This engagement will seek input from stakeholders on how to recover costs from customers for requested services performed by the IESO and the proposed phase-in strategy. The initiative will seek to bring greater alignment between the costs of the service and the customer initiating the request, as opposed to recovering these costs volumetrically from all consumers.</p> <p><i>Engagement Lead: Jason Grbavac</i></p> <p><i>Related Active Engagements:</i></p> <ul style="list-style-type: none"><li>N/A</li></ul>	<ul style="list-style-type: none"><li>Two feedback submissions were received following the July 22 webinar and the IESO response to feedback document was posted on September 30</li></ul>	<ul style="list-style-type: none"><li>The IESO is determining timing for the next engagement session for this initiative, if required</li></ul>
<p><b><u>Improving Accessibility of Operating Reserve</u></b></p> <p>The IESO is seeking feedback on an issue related to the Operating Reserve (OR), whereby the amount of OR scheduled is not fully accessible.</p> <p><i>Engagement Lead: Jason Grbavac</i></p> <p><i>Related Active Engagements:</i></p> <ul style="list-style-type: none"><li>N/A</li></ul>	<ul style="list-style-type: none"><li>At the July 27 Technical Panel meeting, members voted in favour of posting the Improving Accessibility of Operating Reserve proposed market rule amendment for broader stakeholder comment</li><li>Feedback on the proposed market rule amendment was due by August 12</li></ul>	<ul style="list-style-type: none"><li>The IESO will provide an update on this engagement at the March engagement days</li><li>Updates will also be provided on the outcome of the Technical Panel processes</li></ul>

Active Engagement	Current Status	Next Steps
<p><b><u>Improving Awareness of System Operating Conditions</u></b></p> <p>The IESO informs stakeholders of system operating conditions through advisory notices and operating states. This engagement will review what the IESO communicates to stakeholders through these channels with the goal being to improve awareness of system operating conditions.</p> <p><i>Engagement Lead: <b>Trisha Hickson</b></i></p> <p><i>Related Active Engagements:</i></p> <ul style="list-style-type: none"> <li>N/A</li> </ul>	<ul style="list-style-type: none"> <li>Proposed changes to Market Rules and Market Manuals were brought forward at the January 27 engagement session</li> <li>This included information on additional operating state of system operating conditions to improve operational awareness which will allow MPs the opportunity to plan and prepare their operations accordingly</li> </ul>	<ul style="list-style-type: none"> <li>Feedback is due February 17</li> </ul>
<p><b><u>Market Renewal Program (MRP) Implementation</u></b></p> <p>The Implementation phase of the Market Renewal Program will begin by codifying the design into the Market Rules and Market Manuals, and then proceed onto creating tools, testing, training and readiness for bringing the renewed market to life.</p> <p><i>Engagement Lead: <b>Declan Doyle</b></i></p> <p><i>Related Active Engagements:</i></p> <ul style="list-style-type: none"> <li><a href="#">Resource Adequacy</a></li> <li><a href="#">Enabling Resources</a></li> <li><a href="#">DER Market Vision &amp; Design Project</a></li> <li><a href="#">Hybrid Integration</a></li> </ul>	<ul style="list-style-type: none"> <li>The IESO brought forward the Market Participant Readiness Plan for discussion at the January 26 engagement session</li> <li>Feedback on the January session is due by February 17</li> </ul>	<ul style="list-style-type: none"> <li>The February 22 session will introduce the Calculation Engine batch of market rules and market manuals (posted on Feb 4), a discussion on Transmission Rights Disbursement under a renewed market, the Replacement of Settlement System (RSS) Market Rules and Manuals, and the RSS Implementation Plan</li> </ul>
<p><b><u>Updates to IESO Monitoring Requirements: Phasor Data</u></b></p> <p>The IESO is seeking feedback on proposed updates to Appendices 4.15/ 4.16 to enable generators and transmitters to install phasor technology infrastructure and provide phasor data to the IESO.</p> <p><i>Engagement Lead: <b>Colin Campbell</b></i></p> <p><i>Related Active Engagements:</i></p> <ul style="list-style-type: none"> <li>N/A</li> </ul>	<ul style="list-style-type: none"> <li>A webinar was held in September on the proposed Market Rule and draft Market Manual amendments specifying Synchrophasor monitoring requirements</li> <li>Four feedback submissions were received and have been posted to the engagement webpage along with the IESO response to feedback document</li> </ul>	<ul style="list-style-type: none"> <li>An engagement meeting will be held on February 23 to provide updates on Market Rules developments, including salient updates in the Market Manual and a revised timeline for Market Rules enforcement</li> </ul>

# Sector Evolution

Engagements that look to the future to see how innovation, new technologies and new collaborations can improve how we conduct our business.

Active Engagement	Current Status	Next Steps
<p><b><u>Clean Energy Credits</u></b> *new</p> <p>The Ministry of Energy has asked the IESO to assess options for the establishment and ongoing operation and management of a registry to support the creation and/or recognition, trading and valuation, and the retirement of renewable and clean energy credits (CECs) within the province.</p> <p><i>Engagement Lead: <b>Trisha Hickson</b></i></p> <p><i>Related Active Engagements:</i></p> <ul style="list-style-type: none"><li>• N/A</li></ul>	<ul style="list-style-type: none"><li>• The first meeting for this new engagement will be held on February 24 to provide an overview of CEC markets and key concepts, and a discussion on stakeholder clean energy goals to identify initial key considerations for CEC design options in Ontario</li><li>• The draft engagement plan is available on the webpage</li></ul>	<ul style="list-style-type: none"><li>• The IESO will seek feedback to ensure that stakeholder input informs the IESO's report back to the Ministry</li><li>• Feedback is due by March 18</li></ul>
<p><b><u>Industrial Energy Efficiency Program</u></b></p> <p>The 2021-2024 Conservation Demand Management (CDM) Framework will include a new customer focused program in 2022 for large transmission and distribution connected industrial consumers. The program is anticipated to enable large industrial consumers to specify funding needed to meet capital hurdles, or other business case requirements for large complex projects.</p> <p><i>Engagement Lead: <b>Trisha Hickson</b></i></p> <p><i>Related Active Engagements:</i></p> <ul style="list-style-type: none"><li>• N/A</li></ul>	<ul style="list-style-type: none"><li>• Phase 2 of this engagement was held on October 19, to solicit feedback on the proposed program framework including items such as application process and project selection criteria</li><li>• Four feedback submissions were received and have been posted to the engagement webpage along with the IESO response to feedback document</li></ul>	<ul style="list-style-type: none"><li>• The next engagement session will take place on February 23 to present the draft final program documents, including key contract terms regarding project and participant eligibility, incentive payments, and project evaluation criteria</li></ul>

Active Engagement	Current Status	Next Steps
<p><b><u>Innovation and Sector Evolution White Papers</u></b></p> <p>The IESO intends to develop and release a series of white papers to support the creation of a shared, fact-based understanding of emerging opportunities and trends.</p> <p><i>Engagement Lead: Colin Campbell</i></p> <p><i>Related Active Engagements:</i></p> <ul style="list-style-type: none"> <li>• <a href="#">DER Potential Study</a></li> <li>• <a href="#">DER Roadmap</a></li> <li>• <a href="#">IESO York Region Non-Wires Alternatives Demonstration Project</a></li> </ul>	<ul style="list-style-type: none"> <li>• In December 2021, IESO published a report: <a href="#">Consumer Electricity Preferences and Behaviours Survey</a>; survey participants represented three segments: residential, small business and commercial/ industrial consumers</li> <li>• The report explores how consumers are taking control of their energy future to find ways to meet their own needs and achieve their objectives</li> </ul>	<ul style="list-style-type: none"> <li>• An engagement webinar is scheduled for February 23 where the IESO will begin discussions on the next white paper in the series: Applications of Artificial Intelligence (AI), Machine Learning and other Advanced Technology in the Electricity Sector</li> <li>• A draft engagement plan has been posted</li> </ul>
<p><b><u>IESO York Region Non-Wires Alternatives Demonstration Project</u></b></p> <p>The IESO, with support from Natural Resources Canada, is undertaking a demonstration in York Region to explore market-based approaches to secure energy and capacity services from Distributed Energy Resources (DERs) for local needs.</p> <p><i>Engagement Lead: Colin Campbell</i></p> <p><i>Related Active Engagements:</i></p> <ul style="list-style-type: none"> <li>• <a href="#">DER Market Vision &amp; Design Project</a></li> <li>• <a href="#">DER Potential Study</a></li> <li>• <a href="#">DER Roadmap</a></li> <li>• <a href="#">Innovation and Sector Evolution White Papers</a></li> </ul>	<ul style="list-style-type: none"> <li>• The Final Year 2 Demonstration Program Rules and Contracts were posted on August 25 with the opening of the Initial Year 2 registration</li> <li>• On October 20-21, pre- and post-auction reports were posted for Year 2</li> </ul>	<ul style="list-style-type: none"> <li>• An Evaluation Report including lessons learned will be published by Q4 2022; this is the last major milestone for this engagement</li> </ul>

Active Engagement	Current Status	Next Steps
<p><b><a href="#">Pathways to Decarbonization</a> *new</b></p> <p>The IESO will inform stakeholders on the study approach and provide transparency around the assumptions that will be used in the analysis of the Ministry’s request that the IESO evaluate a moratorium on the procurement of new natural gas generating stations in this decade (reliability, cost, environmental considerations) and develop an achievable pathway to phase out natural gas generation and achieve zero emissions in the electricity sector.</p> <p><i>Engagement Lead: <b>Trisha Hickson</b></i></p> <p><i>Related Active Engagements:</i></p> <ul style="list-style-type: none"> <li>• <a href="#">Clean Energy Credits</a></li> <li>• <a href="#">2021 Annual Planning Outlook</a></li> <li>• <a href="#">2021 Annual Acquisition Report</a></li> <li>• <a href="#">Resource Adequacy</a></li> <li>• <a href="#">DER Potential Study</a></li> </ul>	<ul style="list-style-type: none"> <li>• The first meeting for this new engagement will be held on February 24 to provide background on the Ministry’s request and inform on the study approach</li> <li>• The engagement plan, and stakeholder feedback form for this meeting are posted on the engagement webpage</li> </ul>	<ul style="list-style-type: none"> <li>• The IESO will seek feedback (based on technical research) on key assumptions to be used to ensure that stakeholder input informs the IESO’s report back to the Ministry</li> <li>• Feedback is due on March 11</li> </ul>

# Updates on the Stakeholder Advisory Committee, Technical Panel and Transmission-Distribution Coordination Working Group

Group	Current Status	Next Steps
<p><b><u>Stakeholder Advisory Committee (SAC)</u></b></p> <p>The Committee is a forum for its members to be informed of IESO activities and to provide timely policy advice and feedback both broadly on behalf of the electricity sector and their constituency, directly to the IESO Board and Executive with respect to the IESO’s mandate.</p> <p><i>Engagement Lead:</i> <b>Jordan Penic</b></p>	<ul style="list-style-type: none"> <li>• SAC met on November 4 to discuss:               <ul style="list-style-type: none"> <li>○ Gas phase-out assessment report next steps</li> <li>○ Future resource acquisition plans and system need</li> </ul> </li> <li>• A meeting recording is available on the SAC web page and meeting notes will be posted shortly</li> </ul>	<ul style="list-style-type: none"> <li>• The next public SAC meeting will take place on March 9</li> </ul>
<p><b><u>Technical Panel (TP)</u></b></p> <p>The Technical Panel’s mandate is to review amendments to the Market Rules for Ontario’s electricity market, and as requested, advise the IESO Board of Directors on specific technical issues relating to the operation of the IESO-administered market.</p> <p><i>Engagement Lead:</i> <b>Agatha Pyrka</b></p>	<ul style="list-style-type: none"> <li>• On the Market Power Mitigation batch under MRP, panel members voted in favour of posting the market rule amendments for broader stakeholder comment; The provisional vote to recommend has been postponed to accommodate a request for a scenario discussion during the February meeting</li> </ul>	<ul style="list-style-type: none"> <li>• The February meeting will include the vote on whether to post for stakeholder feedback, the item on Adjustments to Inertie Flow Limits, as well as education on two new items - Replacement of the IESO Settlement System and Improving Awareness of System Operating Conditions</li> <li>• The education item on enhancements to the 2022 Capacity Auction will occur during the March meeting</li> </ul>

Group	Current Status	Next Steps
<p><b><u>Transmission – Distribution Coordination Working Group</u></b> *new</p> <p>The Transmission-Distribution Coordination Working Group (TDWG) will work closely with LDCs and other stakeholders to inform the <a href="#">DER Market Vision and Design Project</a>. This is a key focus area of IESO’s Distributed Energy Resources (DER) integration activities and is what much of the near-term <a href="#">DER Roadmap</a> efforts build towards. The TDWG will provide a forum for in-depth engagement on T-D coordination.</p> <p><i>Engagement Lead:</i> <b>Colin Campbell</b></p> <p><i>Related Active Engagements:</i></p> <ul style="list-style-type: none"> <li>• <a href="#">DER Market Vision &amp; Design Project</a></li> <li>• <a href="#">DER Roadmap</a></li> <li>• <a href="#">IESO York Region Non Wires Alternatives Demonstration Project</a></li> <li>• <a href="#">Innovation and Sector Evolution White Paper Series</a></li> </ul>	<ul style="list-style-type: none"> <li>• The first Working Group meeting was held on January 31, where the IESO provided an introduction to the TDWG, reviewed the Terms of Reference, and discussed the objectives for the Working Group</li> </ul>	<ul style="list-style-type: none"> <li>• The IESO is seeking feedback on the DER Scenarios &amp; Modelling Study by February 14</li> <li>• The next Working Group meeting will be planned for Q2, 2022</li> </ul>